



**Board's decision on recommendations of Advisory Committee**

The Board of Directors at its meeting held on May 28, 2013 had noted following recommendations as given by Advisory Committee at its meeting held on March 23, 2013.

Sr. No.	Suggestion	Exchange's response	Board's decision (action)
1.	There should be a trade cancellation policy to the effect that trade cancellation should be allowed also where the trades get executed suddenly beyond certain limit of the last traded price (LTP)	Suggestions on trade cancellation policy have already been submitted to SEBI vide letter dated December 24, 2012. Reminder is being sent to know the current status.	Noted
2.	Certifications may be allowed in local languages and separate tests may be devised for compliance personnel and dealers	MCX SX has taken up with NISM for having exams in local languages and certain certifications have already been allowed in local languages. NISM has further introduced separate test for compliance personnel (Series IIIA). The Exchange has taken up with NISM regarding separate examination for dealers, which has been requested by the broking industry. Having regard to the fact that the dealers essentially trade on the Exchange and do not undertake any other compliance work in broker's office, it was suggested to SEBI that the examinations content of the dealers may not require much compliance and legal content. Reminder is being sent to know the current status.	May be followed up with NISM

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3.	The insurance policy should contain the features of error and omissions, additional branch covers.	The Exchange Insurance Policy already covers the said features. In order to have enhanced visibility of the same among members, the Exchange has issued circular dated May 23, 2013, bringing out the salient features of the policy to its members notice, while informing about expiry and renewal of the policy.	Noted
4.	There should be a common contract note across segments and common registration of members across segments.	The Exchange has initiated discussion with other stock exchanges on common contract note. Common registration of members across segments is under consideration of SEBI.	Noted
5.	The following suggestions were made by Members on increasing participation under the Liquidity Enhancement Schemes (LES) and the -	The first and second recommendations have been implemented vide circulars dated April 03, 2013 & April 04, 2013 respectively. Since the first recommendation is implemented, the third recommendation is not necessary.	
	<ul style="list-style-type: none"> <li>• Incentive should be given on active orders also.</li> </ul>		Noted
	<ul style="list-style-type: none"> <li>• Incentive should have been for delivery trades in cash market.</li> </ul>		Noted
<ul style="list-style-type: none"> <li>• Incentive for passive buy and sell should be the same.</li> </ul>	Noted		
6.	The documentation for enrolling Authorised Persons (APs) should be simplified and self-certification by Compliance Officer of the member should be taken instead of CA certificate.	Implemented. CA certificate is not being insisted for AP registration	Noted